

URGENCY ITEMS - MINUTE OF DECISION

Delegation arrangements for dealing with matters of urgency

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject: Payment of Management Fees to Active4Today for 2019/20 and 2020/21.

Appropriate Committee: Leisure and Environment and Policy & Finance

Details of Item

This urgency item is required to assist Active4Today (A4T) with financial fluidity and cash flow during the current Covid-19 pandemic as detailed below.

Members will be aware that there is a management fee provision in the annual revenue budget to pay Active4Today should this be required to be paid over based on annual performance. The decision to release the payment is determined on the outturn position and is presented to Leisure and Environment Committee in June for member consideration.

The Council's 3 leisure centres and Southwell Leisure Centre were closed on 17th March and remain so which has impacted on income. Accordingly, the outturn position is expected to present a deficit of circa £3,500 with the retained management fee included in the calculation. Given that the current committee cycle has been suspended until further notice the second instalment for 2019/20 (£60,610) should now be released to assist A4T's cash flow requirements.

In addition, the first instalment for 2020/21 has now been requested by Active4Today (£60,610) along with the management fee for strategic management support to Southwell Leisure Centre Trust (SLCT) (£80,850) in order to assist with cash flow requirements to cover current and ongoing revenue implications.

The proposal is therefore to release the balance of the 2019/20 payment, the first instalment of the 2020/21 management fee (£60,610) and the strategic management support to SLCT (£80,850) in order to support the operational requirements of the District's leisure centres including Southwell which form the A4T leisure offer.

The decision outlined below, as considered and supported by SLT on Tuesday 21 April 2020, is approved under Urgent Delegated decision making powers, to proceed with the payment of management fees as detailed above.

Decision

That the management fee balance for 2019/20, first instalment for 2020/21 and the strategic management support fee to SLCT for 20/21 be paid to Active4Today.

Members Consulted:

- Cllr. David Lloyd – Leader of the Council and Chairman of P & F Committee
- Cllr. Keith Girling – Deputy Leader of the Council and Vice Chairman of P & F Committee
- Cllr. Paul Peacock – Leader of the Labour Group
- Cllr. Peter Harris – Leader of the Liberal Democrat Group
- Cllr. Gill Dawn – Leader of the Independent Group
- Cllr. Roger Jackson – Chair of L & E Committee
- Cllr. Neill Mison – Vice Chair of L & E Committee
- Cllr. Ronnie White – P & F Committee Member
- Cllr. Brendan Clarke-Smith – P & F Committee Member
- Cllr. Tim Wendels – P & F Committee Member

All members consulted on 24th April 2020, reports emailed and follow up telephone call or voice mail message left.



Signed

Date 24th April 2020

Director - Communities & Environment

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Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject: Reinstatement of Garden Recycling Services

Appropriate Committee: Leisure & Environment and Policy & Finance

Details of Item (including reason(s) for use of urgency procedure):

On 23 March 2020 the Government imposed restrictions on working patterns and instigated a number of preventative measures including physical distancing. As a result of these measures the Environmental Services Team was forced to undertake a number of preventative actions and suspend all but essential services. Since then the team has been working to restore services and reallocate departmental resources in new ways.

Refuse collection vehicle cabs are just under 2m wide and normally accommodate 3 people; due to the distancing restrictions and in accordance with industry guidance this has been reduced to 2. Our team has responded admirably to the challenge and almost all front line services have been restored. This has been achieved by doubling the number of collection vehicles on most rounds.

The only service that we have been unable to re-instate is garden recycling. All of our collection vehicles are now dedicated to our essential services (residual, recycling and clinical wastes) and our other two 'paid for' services of bulky and trade waste collections.

Since the cessation of the service, officers have been working to try and find solutions that will allow us to reinstate the service but more importantly protect our staff. A number of collection solutions have been used by other local authorities, including private cars; vans and mini buses. All are either unsuitable because of the size of the district, the setup of the rounds with finish points a long way from start points or quite frankly too risky to health. Having taken the time to embed completely new ways of working and allow our staff "get to grips" with completely new rounds we are in a position to make slight alterations, take staff from other areas of the business and utilise one of our spare trucks together with 2 additional hired vehicles to make the garden recycling collections viable.

We propose that the garden recycling service is restored, although this will involve an ongoing cost. The existing garden recycling collection vehicles have been allocated to core services and until the distancing rules are relaxed it won't be possible to release them.

We have evaluated our existing arrangements and we can utilise one of our spare vehicles in the short term but we will need to hire an additional 2 vehicles. The staffing for these rounds will come from other areas of the service as well as new staff that have been recently introduced.

Members will be aware that subscribers to the service have already paid for the 2020/21 financial year and reinstating the service will ensure that we do not need to refund all of the monies already taken or be in a position where we have to offer free services or huge discounts next year. Currently the council is informing residents that subscribers who remain with us will be discounted next year according to how many collections were missed. Therefore the more time goes by without a service the more discount will be required and a bigger under recovery for the next financial year will be realised. In addition members will also be aware of the public feeling over this service postponement as well as the amount of fly tipped garden waste and complaints about fires. Add to that the loss in recycling percentage and the weight of residual bins where residents are placing some of their garden waste/recycling and the impact can be truly seen.

Based on the assumptions above, the service will require £2,150 per week. This consists of vehicle hire of £1,700 per week, and £450 per week for additional staffing costs, (£15 per day for additional payment during the pandemic alterations). There will be an impact on the cost of fuel and maintenance but these costs have been accounted for elsewhere within the current budget. Currently the projected income for Garden Recycling is £68,000 under recovered. Some of this is due to the pandemic. If the social distancing requirements continue for the remainder of this financial year, the full year cost will be £93,170 (assuming the service restarts 1st June). For this to continue for 6 months, to the end of November, the cost will be £55,900. There is not sufficient current budget to cover these additional costs.

The Council's Reserves are sufficient to cover the additional costs highlighted above, if agreed. Financial Services have checked the figures and confirmed this.

Decision

To reinstate the garden recycling service with the funding to come from Council's reserves.

Members Consulted:

Cllr. David Lloyd – Leader of the Council and Chairman of P & F Committee
Cllr. Keith Girling – Deputy Leader of the Council and Vice Chairman of P & F Committee
Cllr. Paul Peacock – Leader of the Labour Group
Cllr. Peter Harris – Leader of the Liberal Democrat Group
Cllr. Gill Dawn – Leader of the Independent Group
Cllr. Roger Jackson – Chair of L & E Committee
Cllr. Neill Mison – Vice Chair of L & E Committee
Cllr. Yvonne Woodhead – Opposition Spokesperson of L & E Committee

Signed:

Matthew Finch
Director - Communities & Environment

Date 22 May 2020

URGENCY ITEMS - MINUTE OF DECISION

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Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject:

Local Discretionary Business Grants Fund

Appropriate Committee:

Policy & Finance / Economic Development

Details of Item

In response to the Coronavirus, COVID-19, the government announced there would be support for small businesses, and businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund and the Retail, Leisure and Hospitality Grant Fund. As of Friday 29/5/2020 2,125 grant awards have been made under this scheme totalling £25,090,000.

Outside of this scheme the government announced on 2nd May 2020 that funding will be provided for an additional discretionary fund aimed at small and micro businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund.

The design and administration of this fund will fall under the remit of billing authorities (City, District and Borough Councils within Nottinghamshire).

The cost to local authorities of these grant payments will be met in one of two ways:

Where local authorities have or plan to spend all of the grants fund allocation for the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund, they will receive an additional payment of 5% of their estimated usage of the Small Business and Retail, Hospitality and Leisure grants fund allocation as at 4th May 2020 (using a grant under section 31 of the Local Government Act 2003).

Local authorities that, having taken all reasonable steps to provide grants to eligible businesses for the Small Business Grants Fund and/or the Retail, Hospitality and Leisure Grants Fund, still have unspent initial grants funds allocation, will fund the grants from this unspent residual (again to the value of 5% of the estimated usage of the Small Business and Retail, Hospitality and Leisure grants fund allocation as at 4th May 2020). Local authorities with a projected underspend of more than 5% cannot allocate awards above their 5% threshold.

The value of this fund for Newark and Sherwood District Council is £1,237,500.

The attached scheme has been modelled and designed on the guidance issued by the Government and in particular the Department for Business, Energy, Innovation and Skills (BEIS).

Whilst the scheme is discretionary to some extent, government guidance is quite prescriptive, with the following being mandatory requirements:

- i. Businesses which have received cash grants from any central government Covid-19 related scheme are ineligible for funding from the Discretionary Grants Fund. However, businesses which have received funding via the SEISS or CJRS schemes can receive grants under the Discretionary Grants Fund.
- ii. Only businesses which were trading on 11 March 2020 are eligible for this scheme.
- iii. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

The guidance also states that local schemes should take into account businesses with relatively high ongoing fixed property-related costs and businesses which can demonstrate that they have suffered a significant fall in income.

Newark and Sherwood District Council has led (with Rushcliffe BC) and designed its proposed discretionary scheme in consultation with all other Nottinghamshire LA's with the aim of ensuring that there is a broadly similar scheme across the whole of the County which ensures that all businesses that apply to the scheme are subject to the same criteria.

In addition, a number of meetings have taken place with the regional representative for BEIS during which this proposed scheme has been discussed and with representatives from all Nottinghamshire Authorities to ensure there is parity with the guidance (see above).

This includes fixed grants to the value of £25,000, £10,000 and any amount under £10,000 for which local authorities have discretion to make payments such as providing support for micro businesses with fixed costs or support for businesses that are crucial for their local authorities.

Equalities Implications

The scheme has been designed taking into account issued government guidance and in consultation with all Nottinghamshire billing authorities.

Claims to this scheme will be assessed on an individual basis taking into account the proposed criteria and guidelines – this will ensure that all awards are made in a consistent and transparent basis and that there will be a broadly similar scheme across the whole of the County.

An on-line application form has been provided which is available for all businesses to use, alternatively this could be provided in alternative format if requested.

Financial Implications

The value of this fund for Newark and Sherwood District Council is £1,237,500. The scheme will cease once this fund has been exhausted.

Revenue Current Year

This policy is funded wholly by central government and hence there are no financial implications in delivering this scheme attributable to NSDC.

Decision

The attached Local Discretionary Business Grants Fund scheme is approved as a matter of urgency so that claims under this scheme from local businesses can be considered/assessed and awarded with immediate effect.

Reason for Decision

To provide urgent and immediate support to small local businesses that have not been able to obtain grant funding support from the small business and retail/hospitality/leisure grant scheme.

Members Consulted:

Policy & Finance Committee

Cllr. David Lloyd
Cllr. Paul Peacock

Economic Development Committee

Councillor Keith Girling
Councillor Neal Mitchel

Group Leaders

Councillor Mrs Gill Dawn
Councillor Peter Harris

Signed:



Sanjiv Kohli
Deputy Chief Executive/Director – Resources/Section 151 Officer

Date: 2 June 2020

LOCAL DISCRETIONARY BUSINESS GRANTS FUND

Businesses may only apply for funding under this discretionary grant scheme if the business meets the following eligibility criteria:

1. Eligibility for other Grant Funding

1.1 This discretionary grant funding is only available for businesses that are not eligible for other government support schemes. Businesses which have received cash grants, or are eligible to receive grants, from any central government COVID related scheme are ineligible for funding from the Discretionary Grants Fund. Such grant schemes include but are not limited to:

- Small Business Grant Fund
- Retail, Hospitality and Leisure Grant
- The Fisheries Response Fund
- Domestic Seafood Supply Scheme (DSSS).
- The Zoos Support Fund
- The Dairy Hardship Fund

1.2 Businesses who have applied for the Coronavirus Job Retention Scheme are eligible to apply for this scheme.

1.3 Businesses who have applied for the Self Employment Income Support Scheme are eligible to apply for this scheme, however priority may be given to those businesses who are not eligible for grant under the Self Employment Income Support Scheme.

2. Profile of Qualifying Businesses

- a) Small and micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006.
- i. To be a small business, a business must satisfy two or more of the following requirements in a year:
- Turnover of not more than £10.2 million
 - Balance sheet total not of more than 5.1 million
 - Number of employees: a headcount of staff of less than 50
- ii. To be a micro business, a business must satisfy two or more of the following requirements in a year (any payment to be capped at a maximum of £10,000):
- i. Turnover of not more than £632,000
 - ii. Balance sheet total of not more than £316,000
 - iii. Number of employees: a headcount of staff of not more than 10
- b) Businesses with relatively high ongoing fixed property-related costs - 15% of overheads (excluding cost of sales).
- c) Businesses which can demonstrate that they have suffered a significant fall in income - 80% of income from 1 April 2020 to 31 May 2020) due to the COVID-19 crisis

- d) Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.
- e) Only businesses which were trading on 11 March 2020 are eligible for this scheme.
- f) Companies that are in administration, or insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

3. Amount of Grant Allocation:

3.1 The amount of allocation complements the government's Small Business Grants Fund and the Retail Hospitality and Leisure Grants Fund, except that businesses applying for funding under this scheme will need to provide evidence of meeting the qualifying criteria set out in (4) below:

- Small businesses in shared offices or other flexible workspaces, such as units in industrial parks, science parks and incubators which do not have their own business rates assessment but pay rent up to £15,000 per year may be eligible to a grant of £10,000, provided the business meets the qualifying criteria in (4) below.
- Small businesses in shared offices or other flexible workspaces, such as units in industrial parks, science parks and incubators which do not have their own business rates assessment but pay an annual rent between £15,001 and £51,000 may be eligible for a grant of £25,000, provided the business meets the qualifying criteria in (4) below.
- Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief, may be eligible for a grant of £10,000, provided the charity meets the qualifying criteria in (4) below.
- Discretionary grant payments of up to £10,000 may be made to the following businesses, provided the business meets the qualifying criteria in (4) below:
 - Businesses that are domiciled in the District/Borough/City who have not been eligible for other grant schemes as stated in section 1 above.
 - The amount of grant awarded to those businesses eligible for the Self Employed Income Support Scheme, will be based on 25% of the annual rent or equivalent property charge that is attributable to the business (as detailed below at (4) iii. as applicable on the 11th March 2020), **up to a maximum of £10,000.**
 - The amount of grant awarded to those businesses that do not qualify for the Self Employed Income Support Scheme will be based on 50% of the annual rent or equivalent property charge that is attributable to the business (as detailed below at (4) iii. as applicable on the 11th March 2020), **up to a maximum of £10,000.**

3.2 Assessment Process:

All applications will be assessed on a case by case basis. The application form will set out particulars of the evidence that will need to be included with the application for grant. The applicant will need to demonstrate ALL of the following:

- i. The business is not eligible for any other government grant scheme listed in (1) above.
- ii. The businesses has relatively high (more than 15% of overheads) ongoing fixed property-related costs. Evidence required will include (but not limited to a signed lease agreement, signed licence agreement, or a certificate signed by the business accountant of the property charge within the business' financial statements relating to 6 months prior to 31st May 2020 (this equally applies to businesses operating from home premises). The evidence must demonstrate the actual cost to the business. A copy of the previous years' accounts will be requested.
- iii. The business has suffered an income loss of at least 80% for the 2 months from 1 April 2020 to 31 May 2020. This will be evidenced by a comparison with the business income for the same period in 2019 or, for businesses trading for less than 12 months, a comparison with average income for the trading months prior to 1 March 2020. Evidence of proof will include documents from bank, certified documentation from your accountant or financial advisers.
- iv. To evidence trading prior to 11 March 2020; examples of evidence include (but not limited to) for companies registration number with Companies House, for charities registration with the Charity Commissioner for sole traders and partnerships the UTR reference number from HMRC
 - **Insufficient evidence could result in any claim being rejected.**
 - **There will only be one grant award per business from this fund**
 - **The decision to award a grant will be final with no right of appeal.**

4. Taxation

- 4.1 Grant income received by a business is taxable therefore funding paid under the Local Authority Discretionary Grants Fund will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

5. Declarations

- **Applicants to this grant will require to make the following declarations on the application form:** All successful businesses will be required to declare that by accepting the grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will be in compliance with State Aid requirements.
- All successful businesses will be required to make a declaration that the business is a Small or Micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006.
- All successful businesses will be required to make a declaration that the business has not received or is not eligible to receive any other government grants listed in section 1.

Any business caught falsifying their records to gain additional grant will face prosecution and any funding issued will be subject to recovery.

6. Closing date for Applications.

- 6.1 The total available fund for grant payments under this scheme is £.....All applications will be evaluated as quickly as possible and payments will be made in June, with the closing date for applications of 30th June 2020. The drawdown of the funding amount of £.....will be kept under constant review and the council reserves the right to shorten or lengthen the closing date dependant on the value of grants awarded during the month of June. No further payments will be made once the fund is exhausted unless further Government funding is provided.

29 May 2020



Department for
Business, Energy
& Industrial Strategy

Grant Funding Schemes

Local Authority Discretionary Grants Fund –
guidance for local authorities



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Any enquiries regarding this publication should be sent to us at: enquiries@beis.gov.uk

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About this guidance

1. This guidance is intended to support local authorities in administering the Local Authority Discretionary Grants Fund announced on 1 May 2020. This guidance applies to England only.
2. This guidance sets out the criteria which local government should consider as they manage the Local Authority Discretionary Grants Fund. This does not replace [existing guidance](#) for the Small Business Grant Fund (SBGF) or the Retail Hospitality and Leisure Grant Fund (RHLGF).
3. Local authority enquiries on this measure should be addressed to businessgrantfunds@beis.gov.uk. Businesses seeking information should refer to their local authority for further information on their discretionary scheme.

Introduction

4. In response to the Coronavirus, COVID-19, the government announced there would be support for small businesses, and businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund and the Retail, Leisure and Hospitality Grant Fund.
5. This additional fund is aimed at small and micro businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund.

How will the grants be provided?

6. Local authorities will be responsible for delivering grants to eligible businesses. Section 1 of the Localism Act 2011 provides all local authorities with the vires to make these payments.
7. The cost to local authorities of these grant payments will be met in one of two ways:
 - Where they have or plan to spend all of the grants fund allocation for the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund, they will receive an additional payment of 5% of their funding allocation (using a grant under section 31 of the Local Government Act 2003).
 - Local authorities that, having taken all reasonable steps to provide grants to eligible businesses for the Small Business Grants Fund and/or the Retail, Hospitality and Leisure Grants Fund, still have unspent initial grants funds allocation, will fund the grants from this unspent residual. Local authorities with a projected underspend of more than 5% cannot allocate awards above their 5% threshold.
8. In either case, we will continue to monitor each local authority's spend performance for the Small Business, Retail, Hospitality and Leisure Grants Funds and the Local Authority Discretionary Grants Fund and ensure they have sufficient funding and the correct 5% cap for the Discretionary Grants Fund and will top up funding where necessary.

9. We will use the data return from local authorities of Monday 4th May 2020, which includes a projection of spend totals for the Small Business and Retail, Hospitality and Leisure Grants Funds, as the baseline for calculating either:
 - The 5% funding envelope that each local authority can utilise to meet the costs of this discretionary grants scheme, where they have residual funding available;
 - Or, the allocation of the additional amount of grant to be paid to those local authorities expecting to have no residual funding or not enough residual funding from the initial allocation of Small Business and Retail, Hospitality and Leisure Grants Funds.
10. This is a baseline to provide the fixed minimum 5% allocation for each local authority, to give certainty. We do not want to penalise local authorities that subsequently manage to achieve a higher number of business hereditaments supported and grants awarded; their 5% allocation will be adjusted upwards.
11. We are committed to meeting the delivery costs to local authorities for this scheme and will meet associated New Burdens costs.
12. Local authorities that will be responsible for making payments to businesses and which will receive funding from government are billing authorities in England.
13. This grant scheme widens access to support to businesses who are struggling to survive due to the Corona virus shutdown but are unable to access other grant funding. Local authorities should make payments as quickly as possible to support struggling businesses. We anticipate that the first payments made under the scheme will be received by businesses by early June.

How much funding will be provided to businesses?

14. Local authorities may disburse grants to the value of £25,000, £10,000 or any amount under £10,000. The value of the payment to be made to a business is at the discretion of the local authority.
15. Grants under the Local Authority Discretionary Grants Fund are capped at £25,000.
16. The next level payment under the Local Authority Discretionary Grants Fund is £10,000.
17. Local authorities have discretion to make payments of any amount under £10,000. It will be for local authorities to adapt this approach to local circumstances, such as providing support for micro-businesses with fixed costs or support for businesses that are crucial for their local economies. We expect that payments of under £10,000 may be appropriate in many cases.
18. In taking decisions on the appropriate level of grant, local authorities may want to take into account the level of fixed costs faced by the business in question, the number of employees, whether businesses have had to close completely and are unable to trade online and the consequent scale of impact of COVID-19 losses.
19. Bearing in mind the above, local authorities should set out clear criteria for determining the appropriate level of grant to give businesses clarity.

Who will benefit from these schemes?

20. These grants are primarily and predominantly aimed at:
- Small and micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006.
 - Businesses with relatively high ongoing fixed property-related costs
 - Businesses which can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis
 - Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.
21. To be a small business, under the Companies Act 2006, a business must satisfy two or more of the following requirements in a year—
- Turnover: Not more than £10.2 million
 - Balance sheet total: Not more than 5.1 million
 - Number of employees: a headcount of staff of less than 50
22. To be a micro business, under the Companies Act 2006, a business must satisfy two or more of the following requirements—
- Turnover: Not more than £632,000
 - Balance sheet total: Not more than £316,000
 - Number of employees: a headcount of staff of not more than 10
23. We want local authorities to exercise their local knowledge and discretion and we recognise that economic need will vary across the country, so we are setting some national criteria for the funds but allowing local authorities to determine which cases to support within those criteria.
24. We are asking local authorities to prioritise the following types of businesses for grants from within this funding pot:
- Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment;
 - Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment;
 - Bed & Breakfasts which pay Council Tax instead of business rates; and
 - Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.

25. The list set out above is not intended to be exhaustive but is intended to guide local authorities as to the types of business that the government considers should be a priority for the scheme. Authorities should determine for themselves whether particular situations not listed are broadly similar in nature to those above and, if so, whether they should be eligible for grants from this discretionary fund.
26. Where limits to funding available for this scheme require local authorities to prioritise which types of businesses will receive funding, it will be at the local authorities discretion as to which types of business are most relevant to their local economy. There will be no penalty for local authorities because of their use of discretion to prioritise some business types.
27. Local authorities should set out the scope of their discretionary grant scheme on their website, providing clear guidance on which types of business are being prioritised, as well as the rationale for the level of grant to be provided (either £25,000, £10,000 or less than £10,000).
28. Local authorities may wish to consider collaborating as they design their discretionary schemes to ensure there is consistency where they are working across a functional economic area (e.g. a Mayoral Combined Authority or Local Enterprise Partnership area) and may want to engage with MCAs and LEPs to ensure alignment and reduce duplication with other local discretionary business grants that may have been established.

Eligibility

29. This grant funding is for businesses that are not eligible for other support schemes. Businesses which are eligible for cash grants from any central government COVID-related scheme (apart from SEISS) are ineligible for funding from the Discretionary Grants Fund. Such grant schemes include but are not limited to:
 - Small Business Grant Fund
 - Retail, Hospitality and Leisure Grant
 - The Fisheries Response Fund
 - Domestic Seafood Supply Scheme (DSSS).
 - The Zoos Support Fund
 - The Dairy Hardship Fund
30. Businesses who have applied for the Coronavirus Job Retention Scheme are eligible to apply for this scheme.
31. Businesses who are eligible for the Self-Employed Income support scheme (SEISS) are eligible to apply for this scheme as well.
32. Only businesses which were trading on 11 March 2020 are eligible for this scheme.
33. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

Who will receive this funding?

34. It is recognised that local authorities will need to run some form of application process.
35. This will allow local authorities to undertake proportionate pre-payment checks to confirm eligibility relative to their local scheme and to allow each local authority to determine how to use its discretion in relation to the appropriate level of grant. Prepayment checks must include confirming that by accepting payments recipients are in compliance with State aid rules.
36. Local authorities must use their discretion in identifying the right person to receive this funding, based on their application process.
37. The local authority must call or write to the business, stating that by accepting the grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will be in compliance with State aid requirements. Suggested wording for State aid declarations is included at Annex B.

Will these grant schemes be subject to tax?

38. Grant income received by a business is taxable therefore funding paid under the Local Authority Discretionary Grants Fund will be subject to tax.
39. Only businesses which make an overall profit once grant income is included will be subject to tax.

Managing the risk of fraud

40. The government will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
41. The government Grants Management Function and Counter Fraud Function will make their digital assurance tool, Spotlight, available to local authorities, and will offer support in using the tool and interpreting results. Alongside other checks conducted by local authorities, the tool can help with pre-payment and post payment assurance. We also want local authorities to work with us and each other in identifying and sharing good practice, including protecting eligible businesses which may be targeted by fraudsters pretending to be central or local government or acting on their behalf.

Post event assurance

42. Post payment, the government Grants Management Function and Counter Fraud Function will support local authorities to carry out post-event assurance work to identify high risk payments.

Monitoring and reporting requirements

43. Local authorities will be required to report on their progress in developing and delivering the Local Authority Discretionary Grant Fund weekly to BEIS alongside the existing reporting on the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund. Criteria for local authority schemes must be published and shared with BEIS.
44. Once the scheme is developed and payments are made, reports from June onward will cover:
 - Numbers of businesses provided £25,000 grants
 - Numbers of businesses provided £10,000 grants
 - Numbers of businesses provided less than £10,000 grants
 - Total funding paid out in relation to the discretionary grant scheme paying less than £10,000
 - Expected date of completion of all grant payments to businesses
 - Issues encountered in implementing the scheme to allow BEIS to support development of solutions with local authorities.
45. We will also contact a sample of LAs each month to:
 - Check they are awarding in line with the mandatory criteria;
 - Understand the ways in which they are using their discretion.
46. Annex A contains information on Post Payment Monitoring requirements.

State aid

47. The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission. The local authority must be satisfied that all State aid requirements have been fully met and complied with when making grant payments, including, where required, compliance with all relevant conditions of the EU State aid De-Minimis Regulation, the EU Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, the approved COVID-19 Temporary Framework for UK Authorities, and any relevant reporting requirements to the EU Commission.
48. Local authorities have a discretion to make payments to eligible recipients under either the De Minimis rules or the COVID-19 Temporary Framework for UK Authorities (provided all the relevant conditions are met).
49. Payments of up to and including £10,000 can be provided under the De Minimis rules, meaning applicants can receive up to €200,000 of aid within a three year period.
50. Payments of up to and including £25,000 (or £10,000 where the De Minimis threshold has been reached) should be paid under the COVID-19 Temporary Framework for UK Authorities. Local authorities should note the conditions attached to the Temporary Framework, including the €800,000 threshold per undertaking (€120 000 per

undertaking active in the fishery and aquaculture sector or €100 000 per undertaking active in the primary production of agricultural products), and requirement for recipients to declare they were not an undertaking in difficulty on 31 December 2019. An 'undertaking in difficulty' is defined by GBER (2014) as an undertaking in which at least one of the following circumstances occurs:

- a) In the case of a limited liability company (other than an SME that has been in existence for less than three years), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital.
- b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses.
- c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
- d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
- e) In the case of an undertaking that is not an SME, where, for the past two years:
 - i) The undertaking's book debt to equity ratio has been greater than 7.5 and
 - ii) The undertaking's EBITDA interest coverage ratio has been below 1.0.

51. Annex B of this guidance contains two sample declarations which local authorities may wish to use with either payments under the De Minimis rules or under the COVID-19 Temporary Framework for UK Authorities. Where local authorities have further questions about De Minimis or other aspects of State aid law, they should seek advice from their legal department in the first instance.

Annex A: Post-payment reporting

Background

1. Local authorities will be required to report weekly to BEIS on the Local Authority Discretionary Grants Fund, alongside the existing reporting on the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund
2. Reports will cover:
 - Numbers of businesses provided £25,000 grants
 - Numbers of businesses provided £10,000 grants
 - Numbers of businesses provided less than £10,000 grants
 - Total funding paid out in relation to the discretionary grant scheme paying less than £10,000
 - Expected date of completion of all grant payments to businesses
 - Issues encountered in implementing the scheme to allow BEIS to support development of solutions with local authorities
3. The return will be completed using the DELTA Reporting system.

Process

4. Local authorities are required to complete the weekly return for BEIS by 10am Monday (from early June), reporting on the previous Monday – Sunday period.
5. Each weekly report will only cover grants provided by local authorities to eligible business during the period of the previous week as per paragraph 4. The Cities and Local Growth Unit will consolidate the reports to create a cumulative total and monitor progress against the allocation of funding per local authority.

Definitions

Total number of grants provided under each level of the scheme (£25,000; £10,000; and less than £10,000)	Number of grants paid (in that week) to the eligible businesses identified by the local authorities.
Total funding paid out in relation to the discretionary grant scheme paying less than £10,000	This should reflect the amount of money paid in grants against the under £10k grant in the reporting week under this scheme.
Expected Date of Completing all payments to Eligible Businesses	Date at which the local authorities believes it will have provided all grants under the scheme.
Comments	Highlight in this box issues that local authorities are encountering while implementing the schemes.

Annex B: State aid – Sample paragraphs that could be included in letters to grant recipients

Template to send to beneficiaries of aid awarded based on the UK COVID-19 Temporary Framework¹

Dear [Name of Aid Recipient]

Confirmation of State Aid received under the COVID-19 Temporary Framework for UK Authorities scheme

Following the outbreak of the Coronavirus, the European Commission has approved schemes to aid businesses affected by the Coronavirus outbreak on the basis of their Temporary Framework, including the COVID-19 Temporary Framework scheme for the UK.

The maximum level of aid that a company may receive is €800 000 (€120 000 per undertaking active in the fishery and aquaculture sector or €100 000 per undertaking active in the primary production of agricultural products). This is across all UK schemes under the terms of the European Commission's Temporary Framework. The Euro equivalent of the Sterling aid amount is calculated using the Commission exchange rate² applicable on the date the aid is offered.

Any aid provided under this scheme will be relevant if you wish to apply, or have applied, for any other aid granted on the basis of the European Commission's Temporary Framework. You will need to declare this amount to any other aid awarding body who requests information from you on how much aid you have received. You must retain this letter for four years after the conclusion of the UK's transition from the EU and produce it on any request from the UK public authorities or the European Commission.

Aid may be granted to undertakings that were not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation³) on 31 December 2019, but that faced difficulties or entered in difficulty thereafter as a result of the COVID-19 outbreak⁴.

This aid is in addition any aid that you may have received under the De Minimis regulation allowing aid of up to €200,000 to any one organisation over a three fiscal year period (i.e. your current fiscal year and previous two fiscal years), and any other approved aid you have received under other State aid rules, such as aid granted under the General Block Exemption Regulation.

¹ Approval reference.

² https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/information-contractors-and-beneficiaries/exchange-rate-infoeuro_en

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0651-20170710>

⁴ If you are an undertaking in difficulty within the meaning of Article 2(18) of the General Block Exemption Regulation you may still be entitled to de minimis aid if you have received less than €200,000 in de minimis aid in the last three years. You should contact us if you consider that you may qualify for de minimis aid on this basis.

Confirmation of State aid received under x Scheme, and Undertaking in Difficulty status

Please sign the attached statement confirming your eligibility, in principle, for aid.

I confirm that I have received the following aid under measures approved within the European Commission's Temporary Framework between March 2020 and December 2020.

I confirm that my undertaking was not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation) on 31 December 2019.

Body providing the assistance/ aid	Value of assistance (in €)	Date of assistance

Declaration

Company	
Company Representative Name	
Signature	
Date	

Template to send to beneficiaries of aid awarded based on De Minimis Rules

Dear []

The value of the grant payment to be provided to [name of undertaking] by [name of local authority] is £ [] (Euros []).

This award shall comply with the EU law on State aid on the basis that, including this award, [name of undertaking] shall not receive more than €200,000 in total of de minimis aid within the current financial year or the previous two financial years). The de minimis Regulations 1407/2013 (as published in the Official Journal of the European Union L352 24.12.2013) can be found at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

Amount of de minimis aid	Date of aid	Organisation providing aid	Nature of aid

I confirm that:

- 1) I am authorised to sign on behalf of _____ [name of undertaking]; and
- 2) _____ [name of undertaking] shall not exceed its De minimis threshold by accepting this grant payment.

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

I confirm that I wish to accept the grant payment in relation to the above premises.

DATE:

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URGENCY ITEMS - MINUTE OF DECISION

Delegation arrangements for dealing with matters of urgency

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject: Car Parking Charges Review – Covid-19

Appropriate Committees:

Leisure & Environment
Policy & Finance
Economic Development

Details of Item (including reasons for use of urgency procedure):

Members may be aware that since the start of the Covid-19 pandemic enforcement of parking charges for NSDC car parks has been frozen, meaning that car parks have essentially been 'Free of Charge' since 4th April 2020. External communications have focused on the ability of car parking availability to be utilised by key workers and the wider community accessing essential shops and services which remained open (such as pharmacies for example).

As the economy slowly reopens (non-essential retail can open from 15th June, with others sectors likely to follow on 4th July) it is necessary for us to revisit when we will again enforce car parking charges. For awareness Nottinghamshire County Council have informed all Districts that on-street parking enforcement will resume imminently.

Some local authorities are reintroducing charging regime in full from 1st July 2020. Others are considering offering a short period of free parking whilst the economy reopens.

Current Car Parking Capacity

Within the last 2/3 weeks there has been a noticeable increase in the use of the Council's car parks to such a degree that most of our car parks are now close to capacity on most days of the week. This is a position which exists without the majority of Newark shops being open for trading. There is a concern that if we simply extended free parking on an all-day basis that shops which are re-opening would simply not benefit. This is aside from the significant financial impacts for the Authority from the loss of all car parking income.

In order to strike a balance between assisting the reopening of the economy and actually creating a level of car parking capacity for shoppers to use it is proposed that a 2 hour free parking regime be adopted until 31st August 2020 (between the hours of 08.00-17.59). It is also recommended, again until 31st August, that parking after 18.00 continues to be free in terms of assisting the night-time economy. From 1st September all car parking tariffs would be reinstated to previous levels.

In order to affect this change all parking machine software would be amended and additional signage would be installed. In practical terms customers would obtain a 0-2 hour 'Free Parking' ticket by pressing the ticket issue button on the parking machine. This would need to be displayed inside the vehicle.

Members are advised that this proposed recommendation will come at a significant cost for the 2 month period suggested. This is in addition to revenue income already lost. It is proposed that communications are clear that this is a time-limited measure in order to assist re-opening.

Equalities Implications

Members will be aware that our car parks are subject to statutory requirements in operating to adhere to relevant equalities legislation. The new regime would also be subject to a Covid-Secure risk assessment that will consider any equalities implications.

Financial Implications

Members will be aware that the pandemic has already inevitably impacted upon car parking fee income with the service not collecting fees since the lockdown began. It is estimated that the proposals for free parking for 2 hours for this additional 2 months will lead to an assumed loss of around £50,000 (based on comparison to last year's figures). There is an additional cost of £3,000 to implement software and signage changes. This additional cost can be funded from the Government funding received relating to Covid-19.

In context, the annual income estimated for car parking is £843,000. Based on current forecasting (which assumes this proposal for 2 hours free parking is approved and that car parks are not full from the start), it is expected that fees will be £348,133 for this year, an overall loss, due to Covid-19 of £494,867. This assumes a reduction of 40% usage for the remaining 9 months of the year. This loss, as with any other financial consequences of Covid-19 will be presented to Government.

Decision

That between 1st July and 31st August, inclusive, NSDC adopts a policy of free parking between 18.00-07.59hrs and the first 2 hours between the hours of 08.00-18.00 Monday-Sundays (inclusive).

Reason for Decision

To assist with reopening the economy as the Covid-19 lockdown restrictions are lifted.

Members Consulted:

Councillor David Lloyd – Leader NSDC, Chairman – Policy & Finance	11 th June 2020
Councillor Paul Peacock – Leader of Opposition	10 th June 2020
Councillor Gill Dawn – Leader, Independent Group	11 th June 2020
Councillor Peter Harris – Leader, Liberal Democrat Group (no reply)	10 th June 2020
Councillor Roger Jackson – Chairman, Leisure & Environment	10 th June 2020
Councillor Keith Girling – Chairman, Economic Development	11 th June 2020



Signed:
Director – Growth & Regeneration

Date: 11 June 2020